

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington D.C. 20554

DOCKET FILE COPY ORIGINAL
RECEIVED

MAR 06 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In The Matter of)

Federal-State Joint Board on)
Universal Service)

CC Docket No. 96-45

Rural Telephone Companies Seek Removal of)
Individual Caps Placed on High Cost Loop Support)

DA 00-121

To: Chief, Common Carrier Bureau

Reply Comments

The Rural Telephone Companies referenced herein¹ submit these Reply Comments in response to the Commission's *Public Notice*, released January 24, 2000, in the captioned matter.²

The *Public Notice* sought comment on requests filed by 26 rural telephone companies for removal of the caps on the high-cost universal service support drawn in their respective study

^{1/} Accipiter Communications, Inc., Alenco Communications, Inc., Brazos Telecommunications, Inc. and Brazos Telephone Cooperative, Cap Rock Telephone Cooperative, Inc., Cass County Telephone Company, Central Texas Telephone Cooperative, Inc., Dickey Rural Telephone Cooperative, Dickey Rural Communications, Inc., Gilby Telephone Company, Griggs County Telephone Company, Moore & Liberty Telephone Company, North Dakota Telephone Company, Northwest Communications Cooperative, Red River Telecom, Inc., Turtle Mountain Communications, Inc., United Telephone Mutual Aid Corporation, and York Telephone Company, Ganado Telephone Co., Inc., Guadalupe Valley Telephone Cooperative, Inc., Lincolnville Telephone Company and Tidewater Telecom, Inc., Mid-Maine Telecom, Inc., Oregon-Idaho Utilities, Inc., Ozark Telephone Company, Peoples Telephone Cooperative, Inc., Pioneer Telephone Cooperative, Inc., Roosevelt County Rural Telephone Cooperative, Inc., San Carlos Apache Telecommunications, Inc., Santa Rosa Telephone Cooperative, Inc., West River Cooperative and State Line Telecommunications, Inc., and Winnebago Cooperative Telephone Association.

^{2/} *Public Notice*, CC Docket No. 96-45, DA 00-121, released January 24, 2000.

No. of Copies rec'd 0+4
List ABCDE

areas. The Rural Telephone Companies note that each of the parties submitting comments in this matter, the United States Telecom Association (“USTA”), the National Telephone Cooperative Association (“NTCA”), the National Rural Telecom Association and the Organization for the Promotion and Advancement of Small Telecommunications Companies (“OPASTCO”), the National Exchange Carrier Association (“NECA”), John Staurulakis, Inc. (“JSI”), CenturyTel, Inc., and TelAlaska, Inc., support the rural telephone companies’ position that removal of the caps is warranted and appropriate.

NTCA states that “[l]ifting the caps and allowing carriers to extend service to the unserved areas of the country will ensure that universal service support is being used as Congress intended.”³ OPASTCO notes that “[t]here is no justification to maintain either individual exchange caps or the overall ‘interim’ cap on the high cost fund.”⁴ NECA supports the referenced petitions and states that “the shortfalls caused by artificial ‘caps’ on high-cost funding create serious impediments to the continued advancement of universal service in areas that are most in need of such funding.”⁵ USTA urges the Commission to remove the interim USF cap generically.⁶

Each of the petitions filed in this matter demonstrates that the public interest would be served by expeditious removal of the individual caps placed on the Rural Telephone Companies’ respective study areas, and that grant is consistent with the overarching Commission policy

^{3/} NTCA at 3.

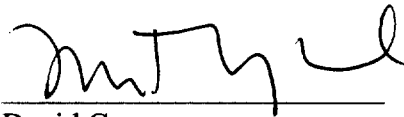
^{4/} OPASTCO at 7.

^{5/} NECA at 1-2.

^{6/} USTA at 3.

established by the *Memorandum Opinion and Order on Reconsideration*, released September 9, 1999.⁷ The petitions received unanimous support from commenters. The Rural Telephone Companies, therefore, urge the Commission to take prompt favorable action in this matter.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'M. Nyland', written over a horizontal line.

David Cosson
Margaret Nyland

Kraskin, Lesse & Cosson, LLP
2120 L Street, NW
Suite 520
Washington, DC 20037
202/296-8890

March 6, 2000

⁷ In the Matters of Petitions for Waiver and Reconsideration Concerning Sections 36.611, 36.612, 61.41(c)(2), 69.605(c), 69.3(e)(11) and the Definition of "Study Area" Contained in Part 36 of the Appendix-Glossary of the Commission's Rules Filed by Copper Valley Telephone, Inc., et. al., *Memorandum Opinion and Order on Reconsideration*, AAD Nos. 93-93, 95-72, 95-30, 97-21, 97-23, 97-117, 98-44, 98-53, DA 99-1845, released September 9, 1999.

CERTIFICATE OF SERVICE

I, Quita Gould, of Kraskin, Lesse & Cosson, LLP, 2120 L Street, NW, Suite 520, Washington, DC 20037, hereby certify that a copy of the foregoing "Reply Comments" was served on this 6th day of March, 2000 by first class, U.S. Mail, postage prepaid to the following parties:


Quita Gould

Larry Strickling, Chief*
Common Carrier Bureau
Federal Communications Commission
445 12th Street, S.W. Room 5-C450
Washington, DC 20554

Irene Flannery, Chief*
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, S.W., Room 5-A426
Washington, DC 20554

Ms. Adrian Wright*
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-B510
Washington, DC 20036

Sheryl Todd (3)*
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-A523
Washington, DC 20554

Lawrence E. Sarjeant
Linda L. Kent
Keith Townsend
John W. Hunter
Julie L. Rones
United States Telecom Association
1401 H Street
Suite 600
Washington, DC 20005

L. Marie Guillory
Daniel Mitchell
National Telephone Cooperative Assn.
4121 Wilson Boulevard
10th Floor
Arlington, VA 22203-1801

Margot Smiley Humphrey
Koteen & Naftalin, LLP
1150 Connecticut Avenue NW
Suite 1000
Washington, DC 20036
Attorneys for Natonal Rural Telecom Assn.

Stuart Polikoff
Stephen Pastorkovich
OPASTCO
21 Dupont Circle, NW
Suite 700
Washington, DC 20036

Richard A. Askoff
Regina McNeil
National Exchange Carrier Association, Inc.
80 South Jefferson Road
Whippany, NJ 07981

Emmanuel Staurulakis
President
John Staurulakis, Inc.
6315 Seabrook Road
Seabrook, MD 20706

Karen Brinkman
Richard R. Cameron
Latham & Watkins
1001 Pennsylvania Avenue, NW
Washington, DC 20004
Attorneys for CenturyTel, Inc.

John F. Jones
Director of Government Relations
CenturyTel, Inc.
100 Century Park Drive
Monroe, LA 71203

Heather H. Grahame
Dorsey & Whitney, LLP
1031 W 4th Avenue
Suite 600
Anchorage, AK 99501
Attorneys for TelAlaska, Inc.

International Transcription Services (diskette)*
Federal Communications Commission
1231 20th Street, NW
Washington, DC 20554

*Via hand delivery